

1 DEPARTMENT OF THE INTERIOR
2 LISTENING SESSION ON COOPERATIVE CONSERVATION
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10 Held at:
11 Northland Pioneer College
12 Silver Creek Campus
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16 September 12, 2006
17 Snowflake, Arizona
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23 MODERATED BY: D.J. Case & Associates

24 INTERPRETED BY: Arizona Freelance Interpreting Services

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R E P O R T E D P R O C E E D I N G S

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10:03 o'clock a.m.

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(Pledge of Allegiance recited)

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MS. LINNENBRINK: Good morning everyone, and welcome to the thirteenth of 24 Cooperative Conservation Listening Sessions. My name is Monica Linnenbrink, and I will be moderating today's session. If everyone would please stand and join me for the Pledge of Allegiance.

MS. LINNENBRINK: Please be seated. At this

time would everyone would please check their cell phones just to make sure they're either off or in the silent mode. Thank you. Today I'm honored to introduce our three panel members for today's listening session.

The first panel member is Director Dale Hall. He is from the U.S. Fish & Wildlife Service. Our second panel member today is Under Secretary Mark Rey from the U.S. Department of Agriculture, and our third panel

member is Deputy Administrator Marcus Peacock from the Environmental Protection Agency.

Thank you, gentlemen, for joining us. We appreciate you taking the time.

There are also a few other local dignitaries in the audience that I would like to

1 recognize. When I call your name, stand up so everybody
2 can see who you are.

3 Our first dignitary is State Senator Jake
4 Flake. If you would please stand. He's taking the time
5 to join us today and listen to your public comment.

6 Our second individual that is here is Jack
7 Latham. He is a staff representative from Congressman
8 Rick Renzi's office. Thank you for joining us.

9 We also have a representative here from
10 the White Mountain Apache Tribe. Could you please stand,
11 if he's here.

12 (No response)

13 MS. LINNENBRINK: Nope. I thought I saw him. I
14 apologize. And then we also have a representative here
15 from the Hopi Tribe. If he would stand. Thank you, sir.

16 We also have the Director of the
17 Department of Environmental Quality from Arizona Steve
18 Owens. If Steve would please stand.

19 (No response)

20 MS. LINNENBRINK: Man, I must have scared
21 people off -- there you are.

22 A MAN: I'm representing Steve today.

23 MS. LINNENBRINK: I'm sorry. Thank you for
24 joining us. And then we also have the President of
25 Northland Pioneer College Ralph Ore, if he is here. He

1 has graciously allowed us to be here at the college. I
2 don't know if he's sitting here, or not, but we thank him
3 for setting things up for us today.

4 We also have the Mayor from Show Low, Rick
5 Fernal, and I apologize if I mispronounced your last name.

6 Also at the front today, we have Court
7 Reporter Lerryn. She will be capturing all the
8 proceedings today, and to the left we have two sign
9 interpreters, Joni and Raymond, and they will be
10 interchanging throughout the day.

11 I would like to start by first giving you
12 a quick review of our agenda, and then I'll also give a
13 quick review of the process we're going to follow for the
14 public comment portion of this session.

15 We're going to start here by asking the
16 three panel members to provide some brief opening remarks,
17 and then following the brief opening remarks, I'll open
18 the session for public comment.

19 As you walked in today, you should have
20 all received a numbered cream-colored index card. We've
21 designed the session so we can hear from as many people as
22 possible, while also giving everybody equal chance to be
23 heard.

24 What we're going to do when I open up the
25 public comment session is I'm going to call you up in the

1 here. When you get to two minutes, I'm going to waive
2 this green index card, and then I'll give you 30 more
3 seconds to wrap up your comments. At the end of 30
4 seconds, I will cut you off, and I do apologize in advance
5 for having to cut you off.

6 My responsibility today as moderator is
7 twofold. Obviously I'm here to make sure we keep things
8 moving along and that we stay on track. That's why I will
9 be timing you. My second responsibility is to make sure
10 that everybody stays on topic and remains civil.

11 To remain on topic, if you would please
12 refer to the cooperative conservation questions on one
13 side of your index card. Please make sure that your
14 comments fall under one of these questions. I do believe
15 that they're pretty broad, so as long as you're talking
16 about conservation, you should be fine today.

17 If somebody becomes disrespectful or over
18 the top, I do reserve the right to cut you off, as well.
19 We've been doing these sessions around the country, and we
20 haven't had any problem with that, and I don't expect it
21 today.

22 Also, given the number of people today and
23 the way these sessions have been set up, we will be
24 providing public comment to the panelists, but you will
25 not be able to have an interchange with the panelists from

1 the microphone. You will just be coming up to the
2 microphone and providing your feedback, but there will not
3 be a question and answer or give and take from the public
4 to the panelists. However, if you do have questions or
5 you have additional feedback back from the panelists, they
6 will be available at breaks and following the session to
7 provide you with answers you may need, or if you have
8 questions, they can also answer those questions.

9 In addition to these three panel members,
10 there's also some local representatives here that could
11 provide some technical information that is specific to
12 this area. We have Dave McKay from the Natural Resources
13 Conservation Service. He is a state conservationist.
14 Will you please stand.

15 I'm going to recognize each of these
16 individuals, so if you have questions or comments, you can
17 go to these individuals, as well as the panel members.

18 We also have Elaine Zerhoff. She is the
19 U.S. Forest Service Supervisor for the Apache/Sitgreaves
20 National Forest. Will she please stand. I'm sorry. I
21 missed you. Thank you for joining us.

22 And we also have Gene Blindenbaker. He is
23 the U.S. Forest Service Supervisor for the Tonto National
24 Forest.

25 And, finally, Wayne Mastry. Please

1 stand. He is the Regional Administrator for the
2 Environmental Protection Agency.

3 Thank you very much all of you for joining
4 us, and, again, they can provide technical information if
5 you would like to speak to them at the break or following
6 the session.

7 Now, it is my pleasure to invite Director
8 Hall up to the podium to provide his opening remarks.

9 DIRECTOR HALL: Thank you, Monica. Good
10 morning, everyone. I hope everyone had a good trip coming
11 in, or if you're local, what a beautiful morning it is.
12 It is a pleasure to be here, and this is our thirteenth
13 meeting and we're going to have 24, but I want to assure
14 you that at the end, everybody's comments are going to be
15 read and heard because they're really important to us.

16 You know, when the President asked us to
17 do these sessions, it really came from the Executive Order
18 on Cooperative Conservation in the White House forum that
19 they held last year, so when the cabinet members got to
20 together and said how can we follow up on that, this was a
21 logical way to do that, because the President has asked us
22 to get deeply involved in cooperative conservation, and
23 that White House conference came forward with a lot of
24 good ideas, and those of us in Washington -- and I say
25 that -- I'm having to learn to say that because just

1 Mark and Marcus. The agencies are coming together like
2 they should, but the most important thing is the people
3 coming together, because if we're going to solve these
4 problems and have them longstanding, then they have to
5 start from the ground.

6 If you look at every conservation program
7 in the United States over history that has lived, that has
8 seen its maturity, they all started from the ground and
9 came up, and they did not start from government and come
10 down.

11 So the real secret to success is getting
12 you involved and figuring out how we can help you be at
13 the table and help us find the solutions, and not have any
14 kind of fear that no good deed will go unpunished. We
15 simply have to eliminate that mindset. If we're going to
16 reach our goals, we have to get there.

17 So I'm really anxious to hear what you
18 have to say. We will be taking all this information back
19 and we'll be talking about it. We will be looking at what
20 we can do administratively to address any of those
21 comments. Congress will be interested to hear any
22 suggestions, I'm sure, that would be pointed in their
23 directions for law changes, but our interest is mostly to
24 hear what you have to say, because we really do know where
25 the wisdom sits, and we thank you for coming down to share

1 that with us.

2 MS. LINNENBRINK: Thank you, Director Hall.

3 Next I would like to invite Under Secretary Rey from the
4 U.S. Department of Agriculture up.

5 UNDER SECRETARY REY: Thank you, and thank you
6 all for being here today. The listening session that you
7 are attending today is a continuation of an initiative
8 that is the embodiment of President Bush's vision and
9 philosophy for conservation and environmental stewardship.
10 It is called cooperative conservation.

11 In keeping with this philosophy, the
12 President signed an Executive Order in August of 2004,
13 entitled Facilitation of Cooperative Conservation. The
14 Order directs five federal agencies, including the
15 Departments of Agriculture, Commerce, the Interior,
16 Defense, and the Environmental Protection Agency, to
17 implement laws relating to the environment and natural
18 resources in a manner that promotes cooperative
19 conservation with an emphasis on local inclusion.

20 To implement the order, the President
21 called for a White House conference on cooperative
22 conservation, which was held a little over a year ago in
23 St. Louis. I recognize at least a few of you as people
24 who attended that conference. That conference was the
25 first White House conference on the conservation-related

1 subject in over 40 years since Lyndon Johnson convened a
2 similar conference in 1964.

3 During the conference last summer, the
4 nation's leaders in conservation and environmental
5 stewardship generated a wealth of suggestions and ideas
6 for implementing the principles set forth in the Executive
7 Order, and since that time many of these ideas are being
8 implemented and have been implemented across the federal
9 government today.

10 We're here today to continue the dialogue
11 that began in St. Louis with specific reference to your
12 ideas on four particular areas. First, ways to help
13 states, tribes, local communities, private landowners and
14 other partners understand and utilize the variety of
15 federal environmental and conservation programs.

16 Second, ways to effectively coordinate
17 among local federal agency resource managers and local
18 landowners and stakeholders to achieve results. Third,
19 how to effectively include non-federal partners in
20 decision-making and eliminate disincentives for
21 environmental stewardship. Fourth, ways to effectively
22 use science to inform natural resources decision-making.
23 And, finally, how to resolve conflicts that exist in the
24 requirements of federal laws. Those are five broad areas,
25 and your insight relative to any of those would be most

1 appreciated.

2 As leaders responsible for implementing
3 environmental and conservation efforts in your own
4 communities, you are in a great position to lead by
5 example by living many of the principles of cooperative
6 conservation, and so on behalf of President Bush and
7 Agriculture Secretary Mike Johanns, thank you for having
8 me, and I look forward to hearing your thoughts during the
9 course of the day.

10 MS. LINNENBRINK: Thank you, Under Secretary
11 Rey.

12 And, finally, last but not least, Deputy
13 Administrator Marcus Peacock from the Environmental
14 Protection Agency.

15 DEPUTY ADMINISTRATOR PEACOCK: Thank you,
16 Monica. Mark was pointing out earlier that both Dale and
17 Mark have not only lived nearby at various times, but have
18 been here many times, where I'm just a Minnesota kid, so
19 they must be the home team today. I'm on the away side.
20 But I must say, a number of you came up to me just before
21 the program and have given me a warm welcome, and I
22 appreciate it, and I appreciate you taking the time today
23 to come to this event. We're not here to talk to you.
24 We're here to listen to you, and that's the whole
25 objective of this.

1 President Bush asked EPA to accelerate the
2 pace of environmental progress while maintaining the
3 economic pace. Thinking about that, that's not an easy
4 thing to do, given all the improvement we've seen in the
5 environment in the last few decades. We've picked the
6 low-hanging fruit and we have some tough challenges ahead
7 of us.

8 The way to solve those problems and
9 accelerate environmental protection is through
10 collaboration and cooperative conservation, and the people
11 that have those solutions we need to work with to make
12 sure the solutions are implemented, are you folks, the
13 people who know the environmental challenges more than
14 anyone else. That is already happening in the State of
15 Arizona in some places. For instance, in the Route 66
16 Initiative, EPA Region 9 is working with the State of
17 Arizona in terms of investigating and cleaning up various
18 areas along Route 66, which was largely -- many areas
19 largely abandoned when the new Interstate came in the
20 1970s.

21 We're also to doing a lot of work with
22 the states along the Mexican border working with 26 tribes
23 to identify water infrastructure, waste water, drinking
24 water, plus cleaning up tire piles and doing other work.
25 But doing that in collaboration to identify what the

1 priorities are and what are the best ways to achieve
2 success in tackling those problems.

3 So I'm excited to be here and to listen to
4 what you have to say. Thank you very much.

5 MS. LINNENBRINK: Thank you, Deputy
6 Administrator Peacock. I'm going to open up the public
7 comment section of today's session, but before I do, I
8 noticed a few people came in a little late, so I'm going
9 to quickly review the public comment process we're going
10 to use today.

11 Again, the way that this is set up, it is
12 designed so we can hear from as many people as possible,
13 while giving everybody equal chance to be heard. When you
14 walked in today, you also should have received a
15 cream-colored index card that is numbered. What I'm going
16 to do is I'm going to call you up in the order of the
17 number on your card, starting with number one. When I
18 call your number, please come to the microphone.

19 When you come to the microphone, state
20 your name, and please spell it for Lerryn, our Court
21 Reporter. Identify the city and state where you're from,
22 and also if you are representing an organization, please
23 identify that organization.

24 Again, you have two minutes for public
25 comment session. I realize that is not much time, and I'm

1 sure you have lots of things to say to these gentlemen.
2 You don't get chances often to talk with them, but we're
3 just trying to hear from as many people as possible. So
4 we will be limiting your comments to two minutes.

5 At the end of two minutes, I will waive
6 this green-colored index card. I will give you 30 more
7 seconds to wrap up your comments, and after two and a half
8 minutes, I will cut you off. Again, I'm sorry for that.

9 And then, also, as a moderator, my
10 responsibility is twofold. I will be keeping things
11 moving along up here, so I will be keeping time, and then
12 my second responsibility is to make sure that you're on
13 topic and that you do remain civil when you're at the
14 microphone.

15 So at this time I would like to invite
16 card number 1 down to the microphone, please, and I'm
17 going to ask, if you would, there's some empty chairs up
18 here, so if you have card number 2 through 5, if you would
19 start making your way down, and you can just sit right
20 here, and that way it would be easy for people to get up
21 and get down quickly. Thank you.

22 SPEAKER NUMBER 1: Well, it sounds like I'm a
23 lot bigger than I am. I am C.B. Lane, L-a-n-e. I'm with
24 the Arizona Cattle Grower's Association. I'm the
25 executive vice president, and I live in Phoenix. And the

1 utilization, because that's a hot topic in this state, and
2 the Forest Service, BLM, both agreed, and we did a -- we
3 were amazed at how well it worked.

4 I would encourage you all to push those to
5 that kind of an idea. Let the agencies all get together
6 with the universities and work on it. Thank you.

7 MS. LINNENBRINK: Thank you, sir. Card number
8 2.

9 SPEAKER NUMBER 2: Hi, my name is Chris Udall,
10 C-h-r-i-s, U-d-a-l-l. I'm based in Mesa, Arizona,
11 representing the Agri-Business Council of Arizona. That's
12 A-g-r-i Business Council of Arizona, Incorporated.

13 Pleasure to be here amongst a lot friends I haven't seen
14 in a long time. Let me go ahead and read my remarks for
15 the record.

16 My name is Chris Udall. I'm the executive
17 director of the Agri-Business Council of Arizona based in
18 Mesa. We are a non-profit trade association established
19 in 1978 to ensure vitality and sustainable profitability
20 of agriculture in Arizona. Our organization represents,
21 as we say, this state's dinner table with agriculture.

22 We are also the State's reclamation
23 representative for the National Water Resource Association
24 and we play an advisory role to the Family Farm Alliance.
25 Members of Agri-Business Council are very concerned and

1 focused on the issue of water supplies and the various
2 positive and negative impacts that affect water supplies
3 to ag.

4 Our member irrigation districts work
5 closely with federal and state agencies as they provide
6 reliable water to agricultural producers throughout the
7 state. When it comes to the topic of endangered species,
8 many of our members have put their money where their mouth
9 is and have been actively involved in the endangered
10 species recovery process.

11 One example is the Multi-Species
12 Conservation Program or MSCP, which as you may know has
13 taken about 10 years and multiple parties to create. It
14 is a long-term program that protects 26 species along the
15 Colorado River for the next 50 years, costing 626 million
16 dollars in 2003 dollars. Half is paid by cooperating
17 federal agencies and the other half by water and power
18 users in Arizona, California and Nevada.

19 My point is agriculture steps up to the
20 plate and does its part at tremendous cost. Salt River
21 Project is another first-class example of our membership
22 which has worked to protect and recover species. SRP
23 obtained an incidental take permit to cover fluctuations
24 in reservoir levels to protect the Southwest Flycatcher at
25 Roosevelt Lake.

1 SRP also developed a habitat -- an HCP to
2 protect the Flycatcher while also allowing SRP to store
3 more water. It took three years to implement and will
4 cost 20 million dollars to get this done. They put their
5 money where their mouth is.

6 I see I'm about out of time. I would like
7 to submit the rest for the record, but we see a list of
8 things we see as solutions for the problem. Thank you for
9 your time.

10 MS. LINNENBRINK: Thank you, sir. Card number
11 3.

12 SPEAKER NUMBER 3: Hello. My name is David
13 Cook. I'm from Globe, Arizona, and I'm here representing
14 the Gila County Cattle Growers and my family. I would
15 first like to thank you all for having the hearing in here
16 in Arizona. It doesn't take a genius to figure out that
17 not every state would receive one of these, and I'm
18 grateful that you've chosen our great state.

19 Improvements installed on federal lands
20 currently belong to the federal government, providing
21 little incentive for federal land agricultural producers
22 to voluntarily invest in conservation. Improvements
23 voluntarily installed by agricultural producers on federal
24 land, should belong to the producers. I believe the
25 Bureau of Land Management has taken great steps in the new

1 grazing regulations where they have admitted or accepted
2 the ownership to permittees of grazing allotments of those
3 improvements, and I believe that the Forest Service should
4 follow in suit.

5 When coordinated resource management
6 planning was done between land users, multiple agencies
7 and multiple disciplines, the requirements of NEPA and
8 Section 7 consultation, should be considered met.

9 When my partners at the NRCS and
10 university extension, my supervisors from my county, my
11 major, when we all sit down to do our NEPA and our
12 proposed action on our grazing allotments, I believe that
13 that requires a lot of input from all these groups, and
14 everything, and so the NEPA requirements should be met and
15 also Section 7 consultation.

16 Lastly, I would like to say that Under
17 Secretary Rey has instituted numerous pilot programs
18 throughout the west, not only in Gila County and Arizona,
19 but throughout all of the west, and I believe that these
20 pilot programs not only need to continue, but they need to
21 be expanded.

22 And, lastly, as one that attended the
23 conservation conference in Missouri, I can tell these
24 people in the audience that it does make a difference when
25 you come here and give your comments to these people. As

1 someone that saw those three days and what unfolded and
2 what we see today and what I read when I get on the
3 internet and in the mail, they're shopping around some of
4 Acts, and I particularly like the Forest Act, where you
5 can bring agencies like the NRCS from USDA over to the
6 Forest Service lands with the real rangeland experts
7 sitting there side by side making the decisions. If it's
8 good for private land, how can we say it's not good for
9 public land. Thank you very much.

10 MS. LINNENBRINK: Thank you, sir. Card
11 number 4, and card number 5 through 10, if you would come
12 down and try and sit as close as you can. Thank you. Go
13 ahead, sir.

14 SPEAKER NUMBER 4: My name is Jim Crosswhite.
15 That's C-r-o-s-s-w-h-i-t-e. BC Bar Ranch, Nutrioso,
16 Arizona. I believe there inequity in the natural resource
17 conservation service enrollment criteria for the
18 conservation security program. The only program available
19 to help maintain existing conservation practices by
20 private landowners is demonstrated stewardship of natural
21 resources.

22 For example, I spent two million dollars
23 over eight years to complete all recommended best
24 management practices in the Arizona Game & Fish Department
25 Nutrioso Creek Fish Management Report, Arizona Department

1 of Environmental Quality, and Environmental Protection
2 Agency Region 9 Nutrioso Creek team build contributing
3 report, and U.S. Fish & Wildlife Service Spikedace
4 Recovery Program, which resulted in only legally restored
5 riparian area in Arizona and the first safe harbor
6 agreement between the Fish & Wildlife Service and a
7 private landowner in Arizona, the first incident in
8 Arizona where a federal-listed fish species has been
9 relocated from public land to private land by Arizona Game
10 & Fish Department and the Fish & Wildlife Service, the
11 first time a non-obtained water body in Arizona has been
12 recommended for removal from the 303D list due to
13 mitigation, and the first instance where a cooperator in
14 Apache County has mitigated all resource concerns in the
15 Arizona resource concerns and quality criteria assessment
16 for private pasture land.

17 My stewardship and in spite of being
18 effectively prevented from further participation in
19 certain grant programs, including the NRCS Environmental
20 Quality Incentive Program, I cannot enroll in the
21 Conservation Security Program because the Upper Little
22 Colorado River watershed has not been open, nor is it
23 likely to be open in 2007.

24 The fact that CSP funding is limited,
25 means NRCS must selectively choose landowners who have

1 demonstrated a high degree of conservation stewardship.
2 For the reasons cited in my example, I encourage a more
3 equitable enrollment method for CSP that is based on
4 landowner accomplishments, rather simply a watershed
5 approach.

6 MS. LINNENBRINK: Thank you, sir. Card number
7 5.

8 SPEAKER NUMBER 5: Good morning. My name is
9 Michael King, K-i-n-g. I live in Prescott, Arizona, and I
10 represent the Prescott Area Wildlands Urban Interface
11 Commission. I'm a volunteer with that group. Thank you
12 for being here this morning, gentlemen. It's nice to see
13 Dale and Mark, and, Marcus, I've seen your name in the
14 history books. So, thank you for caring about Arizona and
15 coming here to listen.

16 The PAWUIC is a citizen-driven group of
17 people who help guide agencies in dealing with urban
18 interface issues in the Prescott area. We're primarily
19 concerned now with fire protection, defensible space, and
20 the land health in and around the Prescott area. We do
21 education, grant applications, and lots of activities to
22 prevent wildfire and to provide for healthy, resilient
23 ecosystems.

24 I've reviewed the conference proceedings
25 from the cooperative conservation that was held in the

1 White House. PAWUIC supports the legislation relative to
2 the Good Samaritan Clean Water Act, the Cooperative
3 Conservation Enhancement Act, and the Healthy Forest
4 Partnership Act. All of these will assist Arizona in its
5 land, water, and land health.

6 We urge you to continue to support state
7 fire assistance grants. These are vital to our
8 communities, and they also help in defensible space. We
9 ask you to bring a collaborative forest partnership
10 restoration program to Arizona, which is similar to New
11 Mexico. Continue your support of the Stewardship
12 Program. The best example in the nation is probably right
13 here in this area with the Apache/Sitgreaves.

14 Continue to foster and provide incentives
15 for economic assistance, policies and procedures that help
16 bring forest products, forest industries into small
17 communities and help utilize the product. Without the
18 partnership, the federal tax dollar cannot carry this
19 burden alone.

20 Continue to do -- not continue, but
21 initiate research regarding utilization of chaparral.
22 These are oak manzanita kind of brush components.
23 Millions of acres in Arizona, California, New Mexico, that
24 this biomass has provided pellets, energy sources. We
25 need some research on that. Continue -- with one for the

1 EPA, continue to work your mine clean-up. It's big in
2 Arizona. It's big in Prescott. It's good that there are
3 several agencies working on those things.

4 Continue your support and your
5 communication. Thank you for being here and good luck in
6 your work.

7 MS. LINNENBRINK: Thank you, sir. Card number
8 6.

9 SPEAKER NUMBER 6: My name is Jim Crosswhite,
10 BC Bar Ranch, Nutrioso, Arizona. In recent years, I've
11 implemented progress through participation in state and
12 federal grant programs that demonstrate --

13 MS. LINNENBRINK: Sir, didn't you go already?

14 SPEAKER 6: Yeah, but she said I could do two
15 cards.

16 MS. LINNENBRINK: Go ahead.

17 SPEAKER NUMBER 6: Are you sure?

18 MS. LINNENBRINK: Yeah, I just --

19 SPEAKER NUMBER 6: Okay. It's up to you. This
20 is different. It's not the same thing.

21 MS. LINNENBRINK: Go ahead. If she said so.

22 SPEAKER NUMBER 6: Okay. I've forgotten my
23 name. In recent years, I've implemented projects through
24 participation in state and federal grant programs to
25 demonstrate how integration of conservation and

1 sustainable agricultural practices, can improve ranching
2 economics, water quality and wildlife habitat, while
3 meeting public policy objectives.

4 I've matched over 50 percent of public
5 funds with my own resources. During the period, in
6 addition to operating a successful livestock operation,
7 I've obtained the highest water quality and wildlife
8 habitat standards bringing private riparian area in
9 Arizona.

10 I've met over 400 people who have visited
11 my ranch and provided information about the conservation
12 project to 27,000 visitors on my web site. Appointed by
13 the Governor, I recently completed a one-year term on the
14 Arizona Climate Change Advisory Group and presently serve
15 on the Arizona Water Protection Fund Commission.

16 Based on my experiences working with many
17 Government agencies and in an effort to improve the
18 effectiveness of conservation project grant programs, I
19 recommend that NRCS conservation as cooperators, prior to
20 funding of any state or federal agency is prepared a TMO
21 report or species recovery plan or management plan that
22 recommends water quality and or habitat improvement
23 practices on any portion of the property where NRCS is
24 being asked for financial assistance or technical
25 support.

1 If such plan exists, NRCS should only fund
2 projects compatible with recommendations in those reports.
3 Right now NRCS doesn't follow this procedure. I believe
4 grant managers of non-USDA programs should encourage
5 grantees contact NRCS for technical assistance in
6 conservation plan development, encourage grantees to
7 follow NRCS practice guidelines and adopt management plans
8 so they might qualify for CSP maintenance teams, keep NRCS
9 field staff available for habitat and water quality grant
10 programs that might benefit NRCS cooperatives.

11 By adopting these suggestions, I believe
12 available funding would be more effective in accomplishing
13 public policy objectives.

14 MS. LINNENBRINK: Thank you, sir. Card number
15 7.

16 SPEAKER NUMBER 7: Good morning. My name is
17 Pass Berlioux, B-e-r-l-i-o-u-x. I am the president of

18 Arizona Forest Restoration Product and I come from
19 Flagstaff, Arizona. I want to thank you for being here
20 today, and I'm one of the Arizonans who traveled across
21 the world to become an Arizonan, so these matters are
22 important to me. It is particularly important to me to
23 make my comments for you today. Good environmental laws
24 that provide opportunities for market-based solutions are
25 an important starting point for conservation.

1 Unfortunately, some of today's laws are
2 outdated and do not protect the environment in the most
3 efficient or effective way. Thus, they are good ways
4 within the boards to provide solutions.

5 There are three programs that can be
6 addressed to provide positive action to improve
7 cooperation and move toward the mark. The Endangered
8 Species Act, the Wetlands Programs, and the National
9 Forest Stewardship Contract.

10 Endangered Species. The act is over 30
11 years old and is in need of updating. Despite an
12 imperfect process for the user, it continues to dictate
13 how the private property may be used. Improvement to the
14 Act are due.

15 Because 90 percent of all endangered
16 species are located on private land, there must be a
17 renewed effort to find comparative, incentive-based
18 solutions if forward progress is to be made.

19 Very briefly, there are three points that
20 need attention. First, the information of the Section 7
21 conservation requirement must be streamlined. Second,
22 critical habitat guidelines must be broad enough to ensure
23 that an open and complete designation process is followed.
24 Third, opportunities for voluntarily conservation effort
25 must be increased.

1 I would like to touch on the unfortunate
2 difficulties presented by the Clean Waters Act Section
3 404, Wetland Program. The Wetland permitting process is
4 lengthy, difficult, and continues to be filled with
5 confusion and uncertainties.

6 The minimum guidelines must be issued so
7 that water land are protected for all jurisdictions, but
8 there must be reforms to streamline the permitting
9 process.

10 Last, one of the greatest ecology that
11 supports wetland that exists in modern time in the west is
12 a forest burning. The stewardship compact for water for
13 the Forest Service are critical in that to provide the
14 solution so that a forest can form its own solutions and
15 conservation.

16 Technical difficulties have arisen and
17 there must be resolved in the most prompt manner. Thank
18 you very much.

19 MS. LINNENBRINK: Thank you, sir. Card number
20 8.

21 SPEAKER NUMBER 8: Good morning. My name is
22 Michael Mittelholzer, M-i-t-t-e-l-h-o-l-z-e-r. I'm here
23 on behalf of the National Association of Home Builders,
24 including the Southern Arizona Home Builders Association,
25 the Central Arizona Home Builders Associations, and

1 Northern Arizona Home Builders Association.

2 I want to say a quick couple words about
3 home builders. They are the primary party I'm
4 representing, even though our membership includes building
5 suppliers, product manufacturers, and the entire
6 residential home building industry. Essentially our
7 membership, even though it is quite large, about 350,000
8 nation-wide, including about 25,000 members here in the
9 State of Arizona, over 90 percent of our members qualify
10 as a small business as defined by the Small Business
11 Administration. And, therefore, my comments here today
12 are really meant to reflect the needs of the small
13 business owners within the regulatory programs that they
14 operate under.

15 So the question under cooperative
16 conservation that my remarks will focus on, deals with how
17 the federal government and the state governments can work
18 better together to deliver superior environmental
19 performance, and my topic, although it could be anything
20 from ESA to wetlands, I'll pick on Marcus for a while and
21 talk about storm water requirements.

22 EPA's concern storm water program is
23 complex, excessive costly, and often times duplicated by
24 the efforts of state and local governments. Furthermore,
25 the lack of compliance assistance and the focus rather on

1 punitive enforcement reduces the overall program's
2 legitimacy and thereby its effectiveness.

3 To be clear, home builders believe there
4 should be storm water regulations, but they also believe
5 those regulations should be reasonable, thoughtful and
6 fair. We believe that more effective environmental
7 protection will come from simple consistent rules that
8 encourage compliance. To further ideas of cooperative
9 conservation, there are a number of steps that can be
10 taken to improve water quality while simplifying and
11 facilitating compliance.

12 First, the permit program should be
13 simplified by eliminating duplicative permit requirements.
14 One way to accomplish this is by improving the
15 coordination with states and facilitating the recognition
16 and adoption of the EPA program called qualifying local
17 programs. The programs should be streamlined by adopting
18 a single lot permit or other similar measures.

19 Second, the EPA and the states should
20 collaborate to develop consistent enforcement policies
21 that focus on environmental protection, rather than
22 paperwork requirements. For example, updating the speedy
23 settlement program by providing inspections measures,
24 would allow EPA and the states to provide an opportunity
25 for timely remedy of permit violations that do not impact

1 water quality and would further demonstrate the goals of
2 the program.

3 Third, watershed partnership programs
4 should be developed to facilitate innovation and
5 incentivize long-term compliance. And, finally,
6 collaborative compliance assistance efforts must be
7 implemented to assure widespread awareness of the
8 program.

9 Before I close my remarks on the storm
10 water program overall, I think it's important to point out
11 that here in Arizona actually the State has petitioned EPA
12 --

13 MS. LINNENBRINK: Thank you, sir.

14 SPEAKER NUMBER 8: Sorry.

15 MS. LINNENBRINK: That's all right. Thank you.
16 Card number 9.

17 SPEAKER NUMBER 9: Good morning. My name is
18 Paul Poister. That's spelled P-o-i-s-t-e-r, and I am with
19 the Partnership for the West. The Partnership is based in
20 Golden, Colorado, and we are a broad-based alliance of
21 farmers and ranchers, miners, energy companies, outdoor
22 enthusiasts, and a lot of small business owners.

23 I know a topic that has already gotten a
24 lot of attention this morning -- I'm sure it will as the
25 day goes on -- is the Endangered Species Act.

1 Unfortunately, the Endangered Species Act is in need of
2 modernization. Of the more than 1300 species in the
3 United States that have been listed as threatened or
4 endangered, less than one percent have been successfully
5 recovered.

6 When it comes to the ESA, unfortunately
7 political science lately has trumped real in-the-field
8 conservation and is crowded out by never-ending litigation
9 by an army of activist attorneys. We have got a list of
10 recommendations for ESA reform that we'll provide for the
11 record, but this morning I just wanted to briefly touch on
12 four key ones, and then we'll put our long list into the
13 record as part of the conservation listening session.

14 First would be to ensure that species
15 listing petitions and critical habitat designations meet
16 minimum scientific standards and make sure that all data
17 is made available to the public. Remove the bureaucratic
18 barriers to voluntary participation in conservation
19 programs. I think we've already heard some good examples
20 from local ranchers on that this morning.

21 Establish consistent rules, policies and
22 procedures for designated critical habitat, and, finally,
23 encourage state and local government management of
24 recovery efforts to ensure local control and
25 participation.

1 Thank you, and we look forward to
2 participating in other listening sessions later on this
3 month.

4 MS. LINNENBRINK: Thank you, sir. Card
5 number 10.

6 SPEAKER NUMBER 10: Good morning. My name is
7 Arnold Taylor. I'm representing the Hopi Tribe.

8 MS. LINNENBRINK: Can you spell your last name.

9 SPEAKER NUMBER 10: T-a-y-l-o-r.

10 MS. LINNENBRINK: Thank you.

11 SPEAKER NUMBER 10: This is not a new problem
12 that I'll be bringing to your attention, especially with
13 Mr. Hall. The endangered species that we have out here,
14 this is not a new problem anywhere at least here in
15 Arizona. If we're going to save the watersheds, we would
16 like a fraction of the budget that goes to the war in Iraq
17 and Afghanistan. We would like to declare a war on
18 Tamarisk, Russian Olive, and our new problem at least on
19 our reservation, Camelthorn.

20 These are some of the species that are
21 really giving us some problems, and I know it's not just
22 on our lands. It's happening around us, also. So that is
23 one thing that we should pay attention to.

24 The other one is that the Hopi Tribe has
25 just declared a state of emergency for drought, and we

1 have had to implement the stock reduction program where
2 we've actually had certain ranges cleared of cattle, and
3 it is possible to retroactively go back to a program --
4 find a program to compensate these cattle who were willing
5 to sell off livestock in order to save their resources.

6 Also, we are not a gaming tribe, and so
7 our resources are very slim. If the Under Secretary would
8 take word back, we could consider under the NEPA program
9 hardship cases. For our programs, we have problems much
10 like other areas in terms of conservation problems, so if
11 you could take that back with you and see if we could work
12 out something with the Hopi Tribe.

13 I know other tribes who are not gaming
14 tribes, as well, and as to the EPA, we have a problem with
15 the gas leaks. Actually, it's an underground storage tank
16 problem, and that has been going on much too long, and I'm
17 glad that Mr. Matthews is here, he's aware of that, but we
18 need to take care of that problem. It has been -- I've
19 been with the tribe 19 years, and I inherited the problem
20 when I got to the tribe, and we still have it. We haven't
21 done very much with it, and so I just urge you to work
22 with us and see if we can get that cleaned up.

23 MS. LINNENBRINK: Thank you, sir. Card
24 number 11?

25 SPEAKER NUMBER 11: I'll just shout at it. My

1 name is Pat King. I'm from Tucson, Arizona. I represent
2 Pima Natural Resources Conservation District. The Elkhorn
3 Valley Conservation Allowance, and King Anvil Ranch. Good
4 morning. Nice to see you again, Dale.

5 I --

6 UNDER SECRETARY PEACOCK: You really are the
7 home team.

8 SPEAKER NUMBER 11: I went through the
9 questions that came out in the flyer, and so I will put my
10 paper in with the responses, but our concerns are for the
11 federal government and federal regulatory agencies to work
12 with local groups on conservation projects. Regulation
13 has been a major restriction resulting in increased cost
14 of addressing these regulations, enabling radical groups
15 to sue, and then the fear of lawsuits causes paralysis
16 within agencies so that when a project is proposed, there
17 is no one willing to work with you for fear of a lawsuit,
18 and so the result of that is nothing happens, and the land
19 is the one who suffers. It's not the group or the agency.
20 It is the land.

21 When economic concerns are addressed in
22 species recovery plans, they in no way address the cost
23 involved to carry out conservation programs. The
24 allowance -- our alliance is doing a fire plan. We have
25 three or four endangered species within the watershed. In

1 five federal reclamation projects authorized by Congress
2 under the Reclamation Act of 1902. So we have a long
3 history of operating reservoir systems in Arizona. We
4 have had recent experience in implementation of the
5 Endangered Species Act under Section 10. In fact, we
6 received an incidental take permit for our Roosevelt Lake
7 operation in 2003, and I hate to say this, Marcus, but
8 thanks to Dale Hall and his efforts when he was the
9 Regional Director for the Fish & Wildlife Service and to
10 his local staff in Arizona, we are in the process of
11 obtaining a -- an incidental take permit, working on the
12 habitat conservation plan for our Verde River system, two
13 reservoirs on that system.

14 And I would like to say that we had the
15 same experience for the Verde River system that we had at
16 Roosevelt, but it has been more complicated due to the
17 fact that, not only was the Southwestern Willow Flycatcher
18 an issue, but endangered fish became an issue as a result
19 of non-native fish that had been planted in our
20 reservoirs.

21 And I want to make the point, the Salt
22 River Project had no responsibility for planting the
23 non-native fish, but we seem to be held responsible for
24 mitigating for impasse.

25 I would like to cover a few lessons we've

1 learned as a result of our experiences with the Endangered
2 Species Act. One, it is important that those who
3 volunteer under an HCP be given some kind of no surprises
4 and permit revocation assurances once they've agreed to
5 these incidental take permits.

6 Secondly, that those who operate
7 reservoirs and water facilities, should not be liable
8 under Section 9 of the ESA for taking of endangered or
9 threatened aquatic species resulting from the introduction
10 of non-native species into a river basin by a third
11 party.

12 I have a number of other recommendations
13 that are included in my 45-minute presentation which I
14 have put in the blue basket. Thank you.

15 MS. LINNENBRINK: Thank you, sir. Card
16 number 13.

17 SPEAKER NUMBER 13: Good morning. My name is
18 Tom Buschappzke, B-u-s-c-h-a-p-z-k-e. I am the water
19 advisor for the City of Phoenix, and I'm appearing on
20 behalf of the city to talk about the Endangered Species
21 Act. Some quick background. The City of Phoenix supplies
22 water to over 1.4 million people, and 95 percent of our
23 water supplies come from surface water sources, so how the
24 ESA interplays with rivers and reservoirs is very
25 important to the city.

1 We are also partners with the Salt River
2 Project and the Roosevelt Lake Habitat Conservation Plan,
3 and in negotiations for the Bartlett and Horseshoe Habitat
4 Conservation plan. We also contribute financially to the
5 Lower Colorado River Multi-Species Conservation plan.

6 The Endangered Species Act also has
7 implications for the city in its ongoing habitat
8 restoration programs along the Salt River through the
9 city. The Rio Salado, Rio Guesta, and Tres Fields
10 projects will restore habitat along the river for a
11 continuous 20-mile stretch when all three projects are
12 completed.

13 The city is currently negotiating safe
14 harbor agreements for all of those projects. The city
15 believes that the conservation goals of the Endangered
16 Species Act can be more readily achieved by streamlining
17 the processes of obtaining habitat conservation plans,
18 safe harbor agreements, and candidate conservation
19 agreements, and their accompanying implementing
20 agreements, incidental take permits, and permits for the
21 enhancement of survival.

22 To that end, I've submitted specific
23 written comments that include proposed language, but I'll
24 summarize some of those.

25 First, a requirement requiring the

1 inclusion of specific no surprises in the permit
2 revocation language for incidental take permits and
3 permits for the enhancement of survival. Second, finding
4 how habitat conservation plan measures satisfy the test of
5 minimizing and mitigating, quote, to the maximum extent
6 practical, unquote. Third, clarifying how the phrase,
7 quote, will increasingly reduce the likelihood of survival
8 and recovery of the species in the wild, unquote, is
9 interpreted.

10 Forth, revising the definition of
11 destruction or adverse modification of critical habitat.
12 Fifth, providing further guidance on the inclusion or
13 exclusion of lands to be included in critical habitat
14 designations for species covered by Section 10 permits.

15 Six, failure to find an action and effects
16 subject to Section 7. Seven, making it clear how incident
17 take permits may authorize taking species not yet listed
18 as threatened or endangered but covered by NRCP, and,
19 last, addressing the definition of the phrase alternative
20 actions to such taking under Section 10 applications.

21 Thank you.

22 MS. LINNENBRINK: Thank you, sir. Card
23 number 14.

24 SPEAKER NUMBER 14: I have to admit I also took
25 two cards knowing that I had prepared an eight-minute

1 speech, but I'll summarize as quickly as I possibly can.
2 I'm Jenny Handorf and I'm representing the community of
3 Pinetop/Lakeside. I've been living in the White Mountains
4 since 1985, and have been involved in an enormous number
5 of interactions with the Apache/Sitgreaves National Forest
6 and forest service representatives, and I continue to
7 mention things like the White Mountain Trail System, the
8 Tracks Organization, our Natural Resources Working Group
9 within the Park Committee, the White Mountain Land Trust,
10 the Resource Advisory Committee, and the fact that I was
11 Major during the Rodeo/Chediski Fire and worked very
12 closely with the Forest Service during that time.

13 I said these things because I wanted to
14 document to you all the degree to which I've interacted
15 with the Forest Service in order that I can tell you how
16 proud I am of these outstanding, dedicated people, and to
17 let you know that we very much appreciate their friendship
18 in rural Arizona.

19 Pinetop/Lakeside is a relatively small
20 community, somewhat over 4,000 residents. We grow to
21 about 40,000 during the summertime. We contain 3244 acres
22 of U.S. Forest Service land within our community, about 46
23 percent of our total acreage, and we recognize the need to
24 plan cooperatively with the federal government to protect
25 our vital watersheds and our precious wildlife, and ensure

1 that these exchanges are compatible with our town goals.

2 I feel that this is our golden
3 opportunity, and so I want to express to you from my own
4 perspective that I believe that one of the most
5 significant ways that you can accomplish your goals in my
6 community, is by encouraging the federal government to
7 re-examine its highest and best use law, high density
8 housing, commercial development, when it comes to allowing
9 Forest Service land purchases by communities.

10 This law literally announces that the best
11 possible use of all natural lands lies in its monetary
12 value for development. We do not believe that. Perhaps
13 some kind of a sliding price policy, dependent upon
14 ultimate natural preservation use, as placed in the
15 purchasing contract as signed by the local officials with
16 well-defined community use and oversight to include
17 wildlife protection, environmental education and
18 appreciation, might do incredible good towards mutually
19 beneficial, responsive collaborative agreements for
20 community responsibility for conservation and protection.

21 In our case, our own crown jewel is
22 the 583-acre Woodland Lake Park around which the community
23 of Pinetop/Lakeside was established, and we can all stand
24 together with the Forest Service mutually supporting each
25 others efforts in cooperative legislation.

1 Just last month, the magazine Smart Money
2 named the White Mountains of Arizona the number one place
3 in the entire United States for second home buyers for
4 best investment. We must be allowed to preserve and
5 protect this precious treasure in our community. We do
6 not want to develop the Park. We want to care for it in
7 perpetuity for our citizens today and in the future, and
8 we want to leave them this legacy. Thus, we will create
9 any program, we will sign any contract, we will commit to
10 any conservation and environmental protection plan to help
11 us acquire and preserve Woodland Lake Park, and I hope
12 that I would have the opportunity in the very near future
13 to show you our crown jewell, and let's continue those
14 discussions at that time. Thank you.

15 MS. LINNENBRINK: Thank you, ma'am. Card
16 number 15. Were you card number 15, too?

17 SPEAKER NUMBER 14: Yes, I was.

18 MS. LINNENBRINK: Card number 16. Card
19 number 16.

20 (No response)

21 MS. LINNENBRINK: Card number 17.

22 (No response)

23 MS. LINNENBRINK: Card number 18 through 20.
24 Card number 18 through 20. What card number are you,
25 sir? Are you card number 20, ma'am?

1 SPEAKER NUMBER 18: Hello. My name is around
2 Arnold Pailzote, P-a-i-l-z-o-t-e. I'm just one of the
3 representatives from the White Mountain Apache Tribe. My
4 supervisors and leaders are at our program and wanted me
5 to let you know we're going to be formulating a formal
6 comment, and I just wanted to let you know we're
7 participating and appreciate you coming out at this time.

8 MS. LINNENBRINK: Thank you, sir. Card
9 number 20.

10 SPEAKER NUMBER 20: Hi. I'm very pleased to be
11 here. My name is Sue Sitko, S-i-t-k-o, and I represent
12 the Arizona Chapter of the Nature Conservancy.
13 Cooperative conservation partnerships are a cornerstone of
14 the Nature Conservancy work around the world, and the
15 Conservancy is proud to participate in partnerships such
16 as the Natural Resources Working Group, a local committee
17 focused on building bridges and trust in forest management
18 decisions, and the White Mountain Land Trust, an
19 organization dedicated to finding a balance between growth
20 and conservation of natural resources to maintain our
21 quality of life here in the White Mountains.

22 The Conservancy encourages a continuation
23 of financial support of new management tools such as
24 10-year stewardship contracts which offer a foundation for
25 encouraging private business growth in new forest product

1 industries. The Conservancy is a partner in assisting the
2 Forest Service in monitoring the country's first
3 stewardship contract.

4 Here in the White Mountains, we have
5 witnessed the growth of a diverse private industry based
6 on small-diameter trees, an industry that could not have
7 materialized without the initial investment of federal
8 dollars to support a sustainable supply of materials
9 through both stewardship contracts and grant programs.

10 We encourage the continuation of
11 recently-passed legislation improving conservation
12 easement tax benefits, which currently are available only
13 for easements donated in 2006 and 2007. Easements are
14 valuable tools that help promote conservation, keep
15 functional working landscape intact, and help with land
16 management across boundaries as evidenced in the Forest
17 Service's newly published report entitled Cooperating
18 Across Boundaries.

19 This report recognizes the need to look
20 beyond boundaries, to work collaboratively to manage
21 resources for the betterment of not only the natural
22 resources within, but also for the human community, our
23 water supply, our air and water quality, our recreational
24 opportunities and our quality of life.

25 We consider the Endangered Species Act an

1 important policy that reflects society's support for
2 conserving rare and endangered and declining species.
3 Hundreds of species still exist today that could have been
4 lost without the protection of the Endangered Species Act.
5 Preventing extinction should be included in evaluating the
6 success of this law.

7 We encourage evaluation of the Endangered
8 Species Act to improve private incentives to conserve
9 species at risk. We support proactive conservation plans
10 that reduce the need for listing a species by maintaining
11 a sustainable population first and foremost, and promote
12 keeping habitat ecologically intact.

13 Thank you for allowing the Nature
14 Conservancy to provide input on cooperative conservation.

15 MS. LINNENBRINK: Thank you, ma'am. Card
16 number 21.

17 SPEAKER NUMBER 21: Good morning. I'm Tommie
18 Martin. I'm a supervisor for Gila County, and I'm also
19 chairman of the Tonto Natural Resources Conservation
20 District, and representing Eastern Counties Organization,
21 I'm here today because our director wasn't able to attend.

22 First of all, I would like to visit about
23 what I think of as cooperative conservation in action that
24 we've been involved in this summer of Gila County and the
25 Forest Service and our various fire districts. Some of

1 you know that we have -- the County has spent upwards
2 of \$800,000 in general fund monies to put out enough
3 adequate helicopter available water pots through the Tonto
4 Forest so the Forest Service could come fill helicopters
5 and put out the fires. And we have put out 11 fires that
6 were rated as catastrophic potential and held them all to
7 eight acres.

8 As a result of not having fires this year,
9 how I look at it is the same week that Sedona caught on
10 fire, we put out two. The same week that Northern
11 California caught on fire the first time, we put out
12 three, and so forth.

13 We did this so that we could have enough
14 time to get resources into the area, to begin doing some
15 of the backlog need for remediation, that has happened.
16 Mark Rey, I want to thank you so much for starting that
17 for us. You found us a hundred thousand dollars. Our
18 local forests followed up with that with almost four and a
19 half million, I'm told now, and redirected funds for '06.

20 That left us then in '07 to continue that
21 conversation, but in '08 -- where I'm going with this is
22 where we have to go with conservation in general. I
23 believe that the answers to cooperative conservation, we
24 cannot solve it out of the treasury, and that we have
25 placed it on the back of our treasury and just continue to

1 put money into these conversations.

2 I believe that we have to shift it to the
3 economy. I believe there is not enough money in the
4 treasury to solve it, but I believe there is enough money
5 in the economy to solve it. As well as that is working,
6 our next path is going to be to make this a market-driven
7 solution. I would like to see -- rather than fires being
8 big business, I would like to see restoration being big
9 business.

10 I believe that so much of what we do -- I
11 stay cranky with us because I believe that we just bog
12 down in the process and completely forget product. So one
13 of the things I would like to invite all of you to come
14 with me. I would like to show you the product of creeks
15 running again, grass growing again, endangered species
16 populations building again in an area where they're
17 netting seven dollars to the acre in one case and 500,000
18 acres are doing this. There are several of these bright
19 lights out there, and if we're really about progress, I
20 will give you my card. I would like a little of your time
21 and a few days and would like to show you what's being
22 done, and then let's come up with a process to make that
23 progress happen. Thank you very much.

24 MS. LINNENBRINK: Thank you, ma'am. Card
25 number 22.

1 SPEAKER NUMBER 22: There are short people in
2 this audience.

3 MS. LINNENBRINK: You would think I set up the
4 microphone.

5 SPEAKER NUMBER 22: Good morning. My name is
6 Amy McCullar, M-c-C-u-l-l-a-r. I'm the Greenlee County
7 Supervisor. As you know, Greenlee County is one of the
8 smallest counties in the State of Arizona. Sixty-five
9 percent of the county is within the Apache/Sitgreaves
10 National Forest and 93 percent of the county is publicly
11 held by Forest Service, BLM and state lands. That leaves
12 seven percent of the available land for the private
13 ownership.

14 The Forest Service -- the forest, rather,
15 is very special and is an important asset of Greenlee
16 County. However, since the listing of the Mexican Spotted
17 Owl, our county lost -- completely lost its timber
18 industry, and no one was concerned with the economic and
19 social impact of the county. There needs to be extensive
20 social economic studies done prior to listing of a species
21 to address the potential impacts to the local economies.

22 The studies need to be done by independent
23 teams and very extensively. The re-introduction of the
24 Mexican Gray Wolf has put the county's ranching industry
25 in jeopardy. The need for local input at the beginning of

1 the process is paramount.

2 Local jurisdictions should be afforded the
3 courtesy of participating from the very beginning.

4 However, the process cannot be so labor-intensive that it
5 is prohibitive for the local jurisdiction to participate.

6
7 So in the course of the last 20 years, we
8 have lost our timber industry and are on the verge of
9 losing our ranching industry. As a rural county, we are
10 aware of the need for conservation. We are aware of the
11 need to protect species. We are actually the true
12 environmentalists, but we also need to move forward using
13 common sense and not just determinations that the entire
14 forest has to be closed to protect the species.

15 It is evident that the deer and the elk
16 herds prosper from the improvements that the ranchers have
17 made to their habitat. It is in a rancher's best interest
18 to protect their allotments. They are true
19 environmentalists.

20 And in closing, we respectfully request
21 that an extensive, independent, unbiased, social economic
22 study be conducted, that local jurisdiction be parties at
23 the beginning of the process, and that the impacts to the
24 local economies be considered and potentially might be
25 mitigated prior to the listing of species, and thank you

1 very much, gentlemen, for being here to listen to our
2 comments and our concerns, and I want to wish you the best
3 in your continued listening sessions.

4 MS. LINNENBRINK: Thank you, ma'am.

5 SPEAKER NUMBER 22: Thank you very much.

6 MS. LINNENBRINK: Card number 23.

7 SPEAKER NUMBER 23: Good morning. My name is
8 Bruce Taubert, T-a-u-b-e-r-t. I am the assistant director
9 of wildlife management for the Arizona Game & Fish
10 Department, and I live in Phoenix. One way to avoid
11 listing and deal with the issues that we've been talking
12 about this morning, is to keep common species common and
13 develop habitat for all of these species. Recently, two
14 tools have been given to the state agencies that allow us
15 to work with private landowners and to develop sound
16 science with this goal in mind, and that's the Landowner
17 Incentive Program, and the state wildlife grants. We urge
18 that the federal government and U.S. Fish & Wildlife
19 continue to support wildlife in Congress and continue to
20 support the state wildlife grants and hopefully Congress
21 will increase the amount of money available to the state
22 wildlife grant. This is a goal we should all have.

23 Some other tools we find very valuable in
24 the State of Arizona are habitat conservation plans, safe
25 harbor agreements and conservation agreements. It is

1 amazing how many private landowners will come to you and
2 want to get involved in conservation when you take the
3 word "punishment" out of conservation. We're allowed to
4 do so through these programs that the Fish & Wildlife
5 Service has offered us because they add an incentive to
6 the conservation for the private landowner, not a
7 decentive. These are important.

8 On the flip side, you have the federal
9 government and their lands that they own, certainly the
10 Forest Service, and it's difficult for a private landowner
11 to get involved in a beneficial program for wildlife on
12 their lease lands when, in fact, by getting involved, it
13 may negatively impact their ability to maintain that
14 lease.

15 So there needs to be some attention given
16 to developing programs and projects to give federal lands
17 and federal leaseholders the same benefits that private
18 landowners have when it comes to jumping out in front and
19 getting involved in proactive conservation.

20 Recently, as you know, budgets have been
21 cut and the federal agencies have been the brunt of
22 reduced budgets. Luckily, in Arizona, the Arizona Game &
23 Fish Department has been able to maintain our budgets
24 through time. What happens, though, is the effort is
25 being put in places that are driven right now more by

1 forest health in relationship to help some wildland urban
2 interface, which is extremely important, but programs are
3 being pulled away from those areas outside of that zone.

4 It's difficult for us, the Arizona Game &
5 Fish Department and other land managers, to initiate
6 programs without themselves paying for NEPA compliance,
7 archeological clearances, to proceed, in fact, to do most
8 of the work that historically the Forest Service and other
9 federal land management agencies have accomplished when
10 they have sufficient staff to do so. Without staff and
11 without dollars, the burden goes to the state, and if the
12 states can't provide the dollars, the progress ceases.

13 In addition, the Arizona Game & Fish
14 Department supports the current in lieu fee mitigation
15 program to perform offsite restoration projects to satisfy
16 Clean Water Act's Section 404 permitting. Currently the
17 proposal to move towards mitigation banking, which we do
18 not support --

19 MS. LINNENBRINK: Thank you, sir. Card
20 number 24.

21 SPEAKER NUMBER 24: Carey Dobson, C-a-r-e-y. I
22 am a fourth-time generation farmer/rancher. I was born
23 and raised down in Chandler, which we don't have hardly
24 any farm land left down there. It is basically all
25 houses. I'm here today to speak about the Endangered

15 I know that without us having input on all
16 these things, we're coming to all these meetings now,
17 "What is your input on these," when all of -- in the
18 front, I think we should be going with our knowledge on
19 these ranches, where we should be going with these,
20 instead of just turning these animals out and then
21 worrying about problems afterwards when they come up.
22 That's what we're facing now. We have these problems that
23 we could have been working on all the way in the
24 beginning, instead of now.

25 I believe we need to take a look at what

1 we have, especially on the gray wolf, and stop where we're
2 at and make it work for what the numbers we have now,
3 instead of just throwing more and more out and having more
4 increased problems what we're dealing with.

5 I know we don't want to get rid of our
6 lands, our private lands that we have for housing
7 developments, which, like I say, we do have a lot of
8 pristine land up here in Greer, Vernon, all these areas
9 next to our federal lands, and that's what we're looking
10 at as being pushed out, and I know this isn't any good for
11 the endangered species, bringing in more houses, because I
12 know they're not very well with development, and with
13 that, I would like to thank the panel. Thanks.

14 MS. LINNENBRINK: Thank you, sir. Card
15 number 25.

16 SPEAKER NUMBER 25: Good morning. My name is
17 Terry Wheeler, T-e-r-r-y, W-h-e-e-l-e-r. I'm from Globe,
18 Arizona. I'm a past president of the Gila County Cattle
19 Growers, and I have ranched on the Tonto Forest for many
20 years. I'm not going to address specific issues today
21 because this is being done very well by other people, but
22 I do want to take this opportunity to thank you, Mark Rey,
23 for your helping us to begin to get our cattle back on the
24 Tonto Forest after our demise in 2002. However, we are
25 still experiencing some resistance -- resistance in some

1 districts, and still need your support in this endeavor in
2 getting these cattle back on.

3 I also want to thank you for your support
4 in making the equip program a reality on the Tonto, this
5 pilot project. It is working very well and we hope that
6 it continues to spread to other public lands or federal
7 lands.

8 Last week at the PLC meeting in Reno,
9 Kathleen Clark said, "If we want people to work for
10 conservation, conservation must work for people." I think
11 we are at a time to make this happen. I know that
12 ranchers on the Tonto Forest are ready and eager to work
13 with the Forest Service to make the changes necessary to
14 make our operations both biologically and financially
15 successful.

16 We trust that the Forest Service is ready
17 to work with us as well in this endeavor. I want to thank
18 you for being here to listen to our issues. Bye.

19 MS. LINNENBRINK: Thank you, sir. Card
20 number 26. Card number 26.

21 (No response)

22 MS. LINNENBRINK: Card number 27.

23 SPEAKER NUMBER 27: Good morning. I'm Chase
24 Caldwell, C-a-l-d-w-e-l-l. I have a cattle ranch in

25 Greenlee County, a forest grazing permit 35 miles north of

1 Morenzi, and I'm president of the Upper Eagle Creek
2 Watershed Association, and thank you for the opportunity
3 to be here -- to allow us to be here.

4 Our watershed association is made up of
5 ranchers, landowners and others interested in the
6 conservation and improvement of our watershed and
7 revitalizing the economics of our community. We organized
8 because the problems we faced with the Endangered Species
9 Act and other federal and state regulations were too large
10 and complex for any of us to take on by ourselves, and our
11 ranching heritage was quickly diminishing. We organized
12 four years ago with the encouragement of our local
13 district ranger and soon after became a non-profit
14 501(C)(3) for the purpose of raising grant money.

15 We identified areas that we needed help in
16 and partnered with agencies and organizations that could
17 assist us. In addition, to the Forest Service, we are now
18 working with NRCS, Rocky Mountain Research Station, U.S.
19 Fish and Wildlife Service, Arizona Game & Fish, Department
20 of Agriculture, Arizona Cattle Growers, University of
21 Arizona Extension Services. We didn't plan it that way.
22 It's just when you take on these kinds of problems, that's
23 the way it ends up.

24 Numerous wildlife organizations have
25 assisted us, including Rocky Mountain Elk Foundation,

1 Arizona Mule Deer, Wild Turkey Federation, and many
2 others.

3 Our focus has been in three major areas;
4 improvement and management of riparian areas, reducing
5 fire fuel loads through controlled burning and vegetation
6 thinning and development of water resources.

7 We've had success in our financing. In
8 addition to our own funding, NRCS 319 grants and state
9 grants and private grants have helped. As we proceed in
10 our work, we're sharing information with other groups and
11 numerous educational workshops.

12 The educational component of our formative
13 years has been a critical element in allowing us to move
14 forward, and I strongly urge that educational components
15 be included in the work that you do.

16 Mr. Rey, you were here in January taking
17 comments on the new Farm Bill, and we requested that an
18 expansion of equip funding targeting ranchers working on
19 federal land be included, and we again make that request.

20 Grazing permittees and private landowners
21 are in a unique position to greatly assist in effect by
22 using environmental protection and environmental
23 conservation outcomes.

24 The last item, is we need safe harbor
25 agreements that extend efforts on federal lands. For

1 example, we are working on leopard frogs reintroduction.
2 Those frogs, when they are successful, we will move on to
3 private to public land, and we need safe harbor agreements
4 to protect us. Thank you.

5 MS. LINNENBRINK: Thank you, sir. Card
6 number 28.

7 (No response)

8 MS. LINNENBRINK: Card number 29.

9 (No response)

10 MS. LINNENBRINK: Card number 30.

11 (No response)

12 MS. LINNENBRINK: Card number 31.

13 (No response)

14 MS. LINNENBRINK: Card number 32.

15 (No response)

16 MS. LINNENBRINK: Card number 33.

17 (No response)

18 MS. LINNENBRINK: 34 through 40. 34 through
19 40. Sir, what is your number?

20 SPEAKER NUMBER 37: 37.

21 MS. LINNENBRINK: What is your number, sir?

22 SPEAKER NUMBER 35: 35.

23 MS. LINNENBRINK: If you would go first, sir.

24 SPEAKER NUMBER 35: My name is Steve Campbell,
25 last name, C-a-m-p-b-e-l-l. I'm with the University of

1 Arizona Cooperative Extension and am the extension
2 director here in Navajo County. I want to thank these
3 gentlemen for being here, especially the home team. That
4 must be why we have it here in Arizona.

5 I would like to address the second
6 question on the card, and how we get the cooperation down
7 to the local level with regard to a lot of this stuff. A
8 little bit on myself. I'm on the Governor's Forest Health
9 Advisory and Oversight Committee for Arizona. I'm on the
10 Western Governor's Forest Health Council. I'm on the
11 Arizona Interagency Coordinating Group Fire Wise Committee
12 for the state, and have worked with the Whip Lake group on
13 the 10-year comprehensive strategy that we just finished.
14 I think it's finally getting to you guys, but it's taken a
15 long time.

16 Basically, as we look at the Endangered
17 Species Act, as we started our cooperative or our
18 collaborative 10 years ago, we looked at that and we said,
19 "We have the laws, we have the rules, we have the statute,
20 let's learn them, let's work with them, and let's make the
21 laws work for the local communities," and I think that's
22 one of the major items that have put us in the stands
23 where we now have a stewardship contract on the
24 Apache/Sitgreaves that is kind of a model across the
25 west.

1 I think that the federal government could
2 best enhance cooperative conservation by insuring that the
3 local partners understand that there is a two-way
4 responsibility here, that we just can't keep saying, "Send
5 money, send money," and I really want to applaud
6 Supervisor Martin in her comments that we recognize there
7 is a limited amount of low-hanging fruit on the federal
8 monetary tree, and recognize that we have to step up, both
9 the state and community levels, and put our resources on
10 the table and our time.

11 And, finally, we need to use our existing
12 outreach capabilities such as cooperative extension, NRCS,
13 and other entities that do this across the state and
14 communities, to help the federal partners in this get
15 their word out to the local level, and I'll include my
16 comments on an e-mail that will get to you in the next
17 couple days, and thank you for being here.

18 MS. LINNENBRINK: Thank you, sir. Card
19 number 37. There wasn't a card number 36. Correct?

20 (No response)

21 MS. LINNENBRINK: 37.

22 SPEAKER NUMBER 37: I am Harold Flake,
23 F-l-a-k-e. I live here in Snowflake. I'm with the
24 Arizona Farm Bureau. I want to thank Mr. Rey for speaking
25 at our convention last fall a year ago. I appreciate his

1 being here and coming back again.

2 For cooperative conservation to work, the
3 federal laws should be used for which they were intended,
4 and as an example -- and I hate to keep beating a dead
5 horse here -- but the Endangered Species Act has gone far
6 beyond what the Congress intended when it was initiated.

7 It is being used to control private and government land,
8 other agencies, and all kinds of things for which it was
9 never intended.

10 Right now several environmental groups
11 have petitioned to have the Gunnison Prairie Dog listed as
12 an endangered species, not because it is endangered and
13 will be done away with, but because of its unique
14 communication abilities. This is not what the endangered
15 species was for. It is not an endangered species. We got
16 enough on our place to populate the world and we can't
17 control the things.

18 But what needs to be done is when the
19 Congress passes these laws, they need to maintain an
20 oversight to see that they are intended for what they --
21 that they are used for what they are intended, not that
22 they are passed on down to let the bureaucrats with the
23 aid of the environmentalists to determine the rules by
24 which we have to follow.

25 We appreciate your being here and

1 listening to us, and would like to see all of the rules as
2 they're passed by the Congress followed so that we can
3 live with them. Thank you.

4 MS. LINNENBRINK: Thank you, sir. It is
5 now 11:30. I'm going to break the session for 15 minutes
6 so everybody can use the restroom and possibly get a sip
7 of water. We will reconvene at 11:45 and I will start
8 with card number 38.

9 (Whereupon, a break was taken at 11:32
10 o'clock a.m.)

11 * * * * *

12 A F T E R B R E A K

13 11:46 o'clock a.m.

14 * * * * *

15 MS. LINNENBRINK: We're going to get started in
16 one minute. In one minute, can everyone take their seats.
17 All right. I'm going to head and reconvene the listening
18 session. Before I call down number 38, I did want to
19 recognize Deborah. She's up here from Northland Pioneer
20 College. She has set up the stage and everything today.
21 She has done a great job and we appreciate it, and also
22 from Northland Pioneer College, we have Susan right over
23 here. They've been great hosts. We haven't had any
24 problems and have everything we need. They've been great.

25

1 At this time if card number 38 would please
2 come down.

3 (No response)

4 MS. LINNENBRINK: Card number 38. How about
5 card number 39.

6 (No response)

7 MS. LINNENBRINK: Card number 40.

8 SPEAKER NUMBER 40: Hello. My name is Duane
9 Walker. I'm from Eagar, Arizona. I'm also the manager of
10 the White Mountain Stewardship Contract here in the
11 Apache/Sitgreaves. I would like to thank Dale Hall and
12 Mark Rey for their support in the White Mountain
13 Stewardship. I think conservation starts in our neck of
14 the woods in the forest and in our flat grasslands, and
15 I'll be sending you a bunch of comments by e-mail so you
16 guys can get on with this.

17 DIRECTOR HALL: Are you going to stay with the
18 microphone?

19 SPEAKER NUMBER 40: Yes.

20 MS. LINNENBRINK: Thank you. Card number 41.

21 SPEAKER NUMBER 41: Thank you for allowing me to
22 be here today. I appreciate it. My name is Molly Pitts.
23 I'm the executive director of the Northern Arizona Wood
24 Products Association. I'm also on the Governor's Forest
25 Health Advisory Council. The Northern Arizona Wood

1 Products Association is a non-profit trade association
2 that promotes the value and the utilization of wood. I
3 represent over 55 businesses in the State of Arizona that
4 either work in the woods or make their products out of
5 wood.

6 Our organization strongly believes in
7 community-based enterprises that are going to utilize the
8 material to produce a value-added product. We understand
9 that if we are going to restore the forests back to a
10 healthy state, markets must be developed to help pay for
11 the treatment.

12 Since much of the wood product
13 manufacturing infrastructure was lost during the Nineties,
14 it is going to take time to build the infrastructure back
15 up, and I'm asking for your support in giving the local
16 businesses that time to re-develop their market.

17 This is a perfect opportunity to
18 collaborate with state and federal agencies and build
19 partnerships. To continue to help those who are making a
20 difference on the ground, I have a couple suggestions. We
21 need continued funding of the woody biomass grants to the
22 forest products lab. These grants have been essential to
23 rebuilding the infrastructure in the White Mountains.
24 These businesses are essential in making the White
25 Mountain Stewardship Contract a success, and here in the

1 White Mountains, we have been successful and numerous
2 businesses have received those grants, and it is helping
3 to make a huge difference with the White Mountain
4 Stewardship Contract.

5 Secondly, I would like to see the CFRP
6 program that was mentioned previously come to Arizona, but
7 we would like to allow Arizona to administer the program
8 separately from New Mexico. We think there is some
9 differences between the two states and that there would be
10 greater flexibility if Arizona was on its own.

11 I would like to see continued funding as
12 the Resource Advisory Council Committee, with the RACC.
13 It helps a lot of our small businesses that don't qualify
14 for FTL grants, and it helps them get started or adds
15 additional pieces of machinery to their businesses that
16 help make a big difference.

17 And, finally, I would like to talk about
18 continued funding of the Southwest Sustainable Forest
19 Partnership. It is a regional group that listens to
20 economic issues of forest and land management. There is
21 one area that I think that all of the agencies tend to
22 fail, and that is the economic portion of forest and land
23 management and conservation. I feel -- and the
24 organization feels that the social ecological issues of
25 forest management have lots of help through various

1 options, whether it be universities, and that kind of
2 stuff, but us that work in the economic portion could use
3 some additional help, and I'm here to ask for that
4 additional help today.

5 MS. LINNENBRINK: Thank you, ma'am. Card
6 number 42.

7 SPEAKER NUMBER 42: Good morning -- or,
8 afternoon. My name is Way Crigler. I represent the --

9 MS. LINNENBRINK: Spell your last name.

10 SPEAKER NUMBER 42: C-r-i-g-l-e-r. I represent
11 the X Diamond Ranch from Springerville, Arizona. I live
12 on that family ranch that has been in my family for since
13 about 1890. I work very hard to keep this ranch going. I
14 have been chosen to be a participant in the water
15 protection project with the Arizona Water Protection Fund
16 for some restoration of the Little Colorado River that
17 runs right through my property. I've been in a
18 longstanding project of restoration of the Little Colorado
19 on that private land. I'm also a cooperator with the
20 University of Arizona Extension Program monitoring
21 rangeland health, and so on, and have been involved in
22 establishing trend and condition of the X Diamond
23 allotment on the A Bar S forest.

24 I would like to thank you all for being
25 here today and providing us an opportunity to express our

1 concerns about what is going on on the land. I would like
2 to ask that cooperative conservation programs become a
3 more incentive orientated program and a less disincentive
4 orientated program. I frequently am hearing that you
5 can't do this because of a trout or you can't do this
6 because of an owl, and I think that we would move a long
7 way ahead if we hear more you can, instead of you can't.

8 I would like to ask that we become more
9 consistent in monitoring and land management with all the
10 agencies. We need to agree not only on methods and
11 technology, but we also need to agree on the
12 interpretation and of the utilization data for the
13 enhancement of the entire landscape, riparian and the
14 habitat it provides.

15 In the past, we've been focused on one
16 little piece here and one little piece here, but habitat
17 functions as a large landscape appearance and not in
18 isolated units.

19 I recommend that the outdated and
20 impractical rules and regulations of the ESA be modified
21 and altered to allow for the implementation of best
22 management practices on private, state and federal lands;
23 that we encourage landowners to make needed improvements
24 for wildlife and livestock; that functional landscape on
25 ranches be maintained to protect habitat, watersheds, and

1 the viability of the ranching industry.

2 We must move forward in cooperation with
3 common sense, consideration and cooperation. Conservation
4 must be with the people. Thank you for being here, and
5 have a good day.

6 MS. LINNENBRINK: Thank you, ma'am. Card
7 number 43.

8 (No response)

9 MS. LINNENBRINK: Card number 44.

10 (No response)

11 MS. LINNENBRINK: Card number 45.

12 SPEAKER NUMBER 45: My name is Cynthia Dale,
13 D-a-l-e. I am the delegated representative from the White
14 Mountain Apache Tribe Division of Natural Resources and
15 the Wildlife and Outdoor Recreation Division. I'm their
16 endangered species coordinator.

17 The White Mountain Apache Tribe was
18 invited to participate in the President's conference on
19 cooperative conservation and was presented with a
20 certificate for conservation, generally based on our work
21 with the Mexican spotted owl and the apache trout and the
22 Mexican wolf. I presented the listeners, the gentlemen up
23 front, with our case study that was just created by the
24 National Wildlife Federation. They had a grant for two
25 tribes in the United States, and they chose White Mountain

1 Apache Tribe and Red Lake Chippewa.

2 The tribe addressed some federally listed
3 species and sensitive species under a statement of
4 relationship with the U.S. Fish & Wildlife Service, and
5 Mr. Dale Hall has worked with us very closely and we
6 appreciate that.

7 This statement of relationship was used as
8 a reference document for drafting the Secretarial Order
9 32-06, and that order was signed by the Secretaries of
10 Interior and Commerce, and also there have been executive
11 orders. Both of these documents say that there is
12 supposed to be no unfunded mandates.

13 We have finally gotten tribal wildlife
14 grant and tribal landowner incentive program grants, and
15 it was developed after years of tribal efforts for tribal
16 language inclusion in bills. It does provide limited
17 project funding only, and it is a competitive grant
18 between the tribes, and as Dale said, there's 561 tribes,
19 and it does create some hard feelings sometimes when you
20 have to compete against each other, instead of working
21 with each other.

22 We do take multi-tribal delegations back
23 to DC. We have talked to Don Young, and that's where our
24 tribal language was first included, and we had 12 tribes
25 from the southwest and also there was a multi-tribal

1 delegation from the Great Lakes that worked on that, and
2 we did get that language, and that's the same language
3 that went into the tribal wildlife grant programs now.

4 Tribes don't get funding. The states do
5 for Pitman Robertson, excise taxes, even though tribal
6 members pay those taxes, and we still do manage to do
7 management for the land. We still have timber and
8 livestock. We manage water, and all species and the land
9 and the mind are considered one word. The Chairman has
10 said, "What was here when I was a child, should be here
11 now and for the children in the future."

12 We just ask that the directors here would
13 continue to recognize tribes on a government to government
14 basis and remember tribes when you look to your budgets
15 for conservation partnerships. We do have a program that
16 is on a landscape level, and please remember us as tribal
17 set-asides for Farm Bill and Clean Water Act, also.

18 MS. LINNENBRINK: Thank you, ma'am. Card
19 number 46.

20 (No response)

21 MS. LINNENBRINK: Card number 47.

22 (No response)

23 MS. LINNENBRINK: Card number 48 through 50.
24 48 through 50. What is your number?

25 SPEAKER NUMBER 49: 49.

1 MS. LINNENBRINK: Is there anybody with card
2 number 48?

3 (No response)

4 MS. LINNENBRINK: Okay. Go ahead, sir.

5 SPEAKER NUMBER 49: Jay Platt, P-l-a-t-t,
6 representing Platt Land & Cattle Company from St. Johns,
7 Arizona, and Horse Springs, New Mexico. I was struck by
8 Mr. Peacock's opening observation that the crux of
9 cooperative conservation is the striking of a balance
10 between environmental protection and economic growth.

11 Three facts suggest that that balance is
12 terribly out of whack. One, our dependence on foreign
13 nations for our energy needs. Two, our inability to
14 produce enough beef to meet domestic demand, and, third,
15 our moving as a nation from an agricultural trade surplus
16 to an agricultural trade deficit.

17 If government is indeed serious about
18 conservation, it will implement policies designed to
19 ensure our profitability, that we may remain on the land
20 and provide wildlife habitat, open space, and other
21 conservation values. Instead, government has literally
22 turned wolves loose upon us. It has imposed onerous
23 regulatory and tax burdens, while at the same time
24 pursuing disastrous trade policies. In a phrase,
25 government would castrate and bid the gelding be

1 fruitful.

2 If we are not allowed to remain profitable
3 and on the land, there is no amount of cooperative
4 conservation that can prevent the 70 percent of prime
5 habitat alluded to by Mr. Hall from passing into the hands
6 of developers. As Tommie Martin has stated, there is
7 simply not enough money in the treasury, and I would add,
8 it is time to face the music. The federal government is
9 broke. Thank you.

10 MS. LINNENBRINK: Thank you, sir. Card
11 number 49.

12 (No response)

13 MS. LINNENBRINK: Card number 50?

14 (No response)

15 MS. LINNENBRINK: Card number 51.

16 (No response)

17 MS. LINNENBRINK: Card number 52 through 55.
18 Card number 52 through 55.

19 (No response)

20 MS. LINNENBRINK: Card number 56. Are you a
21 number, sir?

22 A PARTICIPANT: I'm going that way.

23 MS. LINNENBRINK: Is there a card number 56
24 through 60. 56 through 60.

25 SPEAKER NUMBER 60: 60.

1 MS. LINNENBRINK: Are you 60? All right.

2 You're on the floor, sir.

3 SPEAKER NUMBER 60: My name is Albert Kreutz,
4 K-r-e-u-t-z. I am a volunteer cooperative
5 conservationist. I have worked -- donated over 15 days so
6 far this year for conservation projects on forest, Game &
7 Fish. I belong to the Arizona Wildlife Federation,
8 Arizona Elk Society, Rocky Mountain Elk Foundation,
9 Arizona Antelope Foundation, White Mountain Flyfishing
10 Club, White Mountain Audubon Society, Tucson Rod & Gun
11 Club, Southern Arizona Wildlife Callers, National Wild
12 Turkey Federation, and am past chairman of the local
13 Habitat Partnership Committee.

14 So I'm very active in conservation
15 projects, and what some of the ranchers have said today, I
16 second it on how -- we volunteer -- through my
17 organizations that I have represented and are active in,
18 we've raised in the last 10 years since I've been up here
19 on the mountain moving from Southern Arizona, way over 15
20 million dollars in cash to help Forest Service, Game &
21 Fish, on conservation projects, and no telling how many
22 thousand construction man hours our volunteers have done
23 on projects up here, and there's times when we want to do
24 projects and it's -- we have problems with the NEPA
25 process that goes on, and I wish that government would

1 fund some more money to help the Forest Service and do
2 these things, and also if the Forest Service would follow
3 their master plans accordingly, half of that money that
4 they are getting in their budget wouldn't be wasted on
5 lawsuits.

6 Here locally the master plan that
7 is 10 -- 15 years normal, is 30 years. It is kind of
8 overdue. It should be brought up to date. There is a lot
9 of new science and biology, the way we do things, and I
10 believe in local use, and I believe that the government

11 should follow local use of our Forest Service and that for
12 wildlife, but I also believe that since I've been camping
13 and that here in the forest, the camping permits have went
14 from two dollars to 16 dollars a day in an area. Wood
15 permits since I've been up here has went from five dollars
16 -- \$20.00 for four cords of wood, to now \$60.00, but
17 another part of the local use portions, the cattle grazing
18 fees have not went up a penny.

19 I think if we all use the forest, we all
20 should share in the costs of running the forests which
21 would bring in more money for our government. I am very
22 conservative and I believe that we should pay as we go,
23 everybody. For now, thank you.

24 MS. LINNENBRINK: Thank you, sir. Card
25 number 61.

1 SPEAKER NUMBER 61: Thank you. My name is
2 James Tuvell, T-u-v-e-l-l. I live in Show Low, Arizona.
3 I currently chair the White Mountain Stewardship Contract
4 Citizens Multi-Party Monitoring Board. The White Mountain
5 Stewardship Contract, which our Board monitors, is the
6 first long-term, multi-year, large-scale forest treatment
7 contract in the nation, as I'm sure you're well aware.

8 Those of us involved in the stewardship
9 monitoring board, strongly support the concept of
10 large-scale, multi-year treatment contracts. These
11 long-term treatment contracts support multiple public
12 policy objectives, including helping to reduce the
13 frequency and severity of wildfires, especially in the
14 critical wildland urban interface areas.

15 Secondly, they help restore forest health,
16 while balancing economic, social and environmental
17 concerns and issues and uses. Thirdly, it helps support
18 local economic development, while respecting and
19 preserving social and environmental values.

20 Finally, the use of long-term, large-scale
21 treatment contracts, monitored by a broadly representative
22 local citizens group such as ours, promotes a citizen
23 responsive collaborative science-based approach to forest
24 treatment, that supports and encourages the adoption of
25 best management practices, adaptive management, and a

1 long-term approach to forest issues that balances social,
2 economic and environmental concerns.

3 Therefore, I would encourage you to
4 provide sufficient resources to continue and expand these
5 large-scale, long-term treatment approaches. I would also
6 encourage you to provide the local public land managers
7 the resources and flexibility to pursue creative and
8 locally-responsive public resource management solutions.
9 Thank you.

10 MS. LINNENBRINK: Thank you, sir. Card
11 number 62.

12 SPEAKER NUMBER 62: Good afternoon. It looks
13 like it's just past noon, so I can say that now. My name
14 is Jesse Abrams, J-e-s-s-e, last name is A-b-r-a-m-s. I
15 am with Ecological Restoration Institute out of Northern
16 Arizona University in Flagstaff, and I guess I would like
17 to start by touching on something that Director Hall said
18 at the beginning, which is that the most successful
19 collaborative endeavors in the country are grassroots.
20 They're not government mandated. They're not top down.
21 They're bottom up.

22 So that sort of brings up a dilemma, which
23 is what is the role of the federal government in
24 supporting these successful collaborative endeavors, and
25 in addition to that, we know there is a diversity in

1 collaborative approaches throughout the country,
2 differences in style, differences in organization and
3 scope, and so I would submit that there is at least two
4 very successful models for government support of
5 collaborative conservation right here in the southwest.

6 The first which we've talked about quite a
7 bit is, of course, the White Mountain Stewardship
8 Contract, probably one of the most successful examples of
9 collaborative conservation in the country. The second one
10 has been mentioned briefly, but not in enough detail, is
11 the Collaborative Forest Restoration Program in New
12 Mexico. This is a federally-funded program specific to
13 the State of New Mexico which funds capacity building for
14 collaborative forest restoration projects.

15 And capacity building can include
16 organization capacity, planning capacity, actual
17 treatments on the ground, as well as infrastructure to
18 support treatments including small dam utilization and the
19 like.

20 The key point I want to make here is that
21 I strongly agree with something that was said earlier,
22 which was there is not enough money in the treasury to pay
23 for all the work that needs to be done in conservation
24 throughout the country, but there is a role for the
25 government to help sort of meet some of these key capacity

1 issues which, when addressed, can suddenly open doors to a
2 whole range of new options of treatments and of labor
3 which do not need to be federally funded. They are there
4 in the communities that already exist and the workers
5 already exist, and sometimes all that needs to be done is
6 to fund someplace to take the wood, people to keep the
7 lights on in the meeting room, and someone to send out an
8 email that says, "Hey, we're going to meet next week to
9 talk about the next step." So, again, thank you for your
10 time.

11 MS. LINNENBRINK: Thank you, sir. Card
12 number 63.

13 SPEAKER NUMBER 63: Thank you, gentlemen, for
14 coming to Arizona to our beautiful White Mountains. My
15 name is Jake Flake, and I'm an Arizona State Senator. I
16 represent this district. My name spelled is F-l-a-k-e,
17 like in Snowflake, and Snowflake is where I live. My
18 district comprises most of five counties. That's about
19 one-third of the State of Arizona, and it extends from the
20 Northeastern Plateau through the beautiful White Mountains
21 which is part of the largest ponderosa forest of the
22 world, down into the mining copper towns of Clifton,
23 Morenzi, Globe/Miami, down into the cotton-growing towns
24 of Safford and Thatcher. It is a great district and it
25 contains good, honest, hard-working, industrious,

1 resourceful people. They're great Americans, and I'm
2 proud to represent these people.

3 I would like to address forest health and
4 to personally thank Mr. Rey for his great work in helping
5 us with forest health in this area. He has been a great
6 friend to us. Since the disasters of the Rodeo/Chedeski
7 Fire a few years ago, there have been great strides for
8 improving forest health and starting with and one of the
9 most important was President Bush's Forest Health
10 Initiative.

11 In Arizona, we've formed a working
12 legislative forest health task force. We've passed laws
13 to give tax incentives and benefits to individuals and
14 companies that use forest products. We are proud of the
15 first stewardship contract that has been mentioned here
16 put out by the forestry in the Apache-Sitgreaves Forest.

17 We have several saw mills started up again
18 to saw burned and the small diameter trees. We have one
19 biomass generating plant in operation, and the second
20 plant is now being built. We have got many new wood
21 products businesses started, as has been mentioned here.
22 All this is a great start, but it's only a start.

23 Since slating out the stewardship
24 contract, we have kind of stepped back and rested on our
25 laurels. We have more to do, much, much more. Our

1 beautiful forests are still growing away from us and
2 becoming more and more of a fire threat faster than we are
3 thinning and harvesting them. We are still not putting up
4 enough forest product material for sale to attract
5 companies to come in such as an OSB plant or possibly
6 another paper mill that would make more efficient and high
7 value use of the millions and millions of small diameter
8 trees that must be harvested or they will burn.

9 Let me suggest that we should be letting
10 out new contracts -- new stewardship contracts every year,
11 one a year, to where each one of them would be a
12 15,000-acre contract. If we had 10 stewardship contracts
13 going simultaneously, we could start attracting the
14 businesses to use these products.

15 We have had a great -- we have had a great
16 year here, a great rainy season. There is going to be dry
17 grass and there's going to be dry weeds, and we're really
18 going to have a fire problems, and most of our livestock
19 and most of our cattle are gone, and, therefore, we need
20 to bring back the livestock and the industry to harvest
21 our forest.

22 We must harvest our renewable resources,
23 or mother nature will harvest them for us through
24 devastating fire. Thank you.

25 MS. LINNENBRINK: Thank you, sir. Card

1 number 64.

2 SPEAKER NUMBER 64: I am John Griffin,
3 G-r-i-f-f-i-n, past president of the Gila County Cattle
4 Growers. I would like to thank Mr. Hall, Mr. Rey,
5 Mr. Peacock for coming, and pretty much all my comments
6 would just say ditto, except I was in a meeting last
7 Tuesday on a draft beef biological opinion, and the cattle
8 growers, Fish & Wildlife, the Forest Service, were all
9 there, and we're all friends now thanks to Mr. Rey, but we
10 weren't on the same page, so we need to work together
11 through you guys to send something down the hill so that
12 we're all three working together closely so it's not he
13 said, you said, I said. With that, thank you very much.

14 MS. LINNENBRINK: Thank you, sir. Card
15 number 65.

16 (No response)

17 MS. LINNENBRINK: Card number 66.

18 (No response)

19 MS. LINNENBRINK: Card number 67 through card
20 number 70?

21 (No response)

22 MS. LINNENBRINK: Card number 71?

23 (No response)

24 MS. LINNENBRINK: Is there anybody here with a
25 card that has not had a chance to speak, yet? What is

1 your card number, sir?

2 SPEAKER NUMBER 73: 73.

3 MS. LINNENBRINK: Okay. Are you lower, sir?

4 SPEAKER NUMBER 76.

5 MS. LINNENBRINK: Okay. Thank you.

6 SPEAKER NUMBER 73: Good afternoon, gentlemen.

7 It's nice to see some of you again. My name is Scott
8 Higginson, H-i-g-g-i-n-s-o-n. I'm executive
9 vice-president of NZ Legacy Company. NZ Legacy is the
10 largest private landowner in the two counties of Northeast
11 Arizona. We own over a hundred thousand acres of land and
12 a million acres of mineral rights. We also are a ranching
13 operation, and lease a lot of our land to other ranchers.

14 So on that note, I would say amen to the
15 points that were made by Doc Lane and other ranchers on
16 some of the points that they have raised. We are also the
17 ones who are developing the 24 megawatt biomass plant
18 which is currently under construction approximately 12
19 miles west of here. The plant financing closed last
20 Friday, and the plant is fully under construction and the
21 contracts are let, and we will be operational by the end
22 of 2007.

23 We also have a large logging and trucking
24 operation, currently with about 55 to 60 employees who are
25 harvesting wood from the forests and bringing those wood

1 chips to the plant for use in biomass plant.

2 We have a wide variety of interests, and
3 I'll touch on two of them, several of which have been
4 said. Number one, the stewardship contract is critical and
5 important to this region. It needs to be continued to be
6 funded. It needs to get more funding and increased
7 funding so it can reach its fullest potential of 15,000
8 acres a year. I encourage that to continue to occur so
9 that the communities of this area can receive the
10 protection that they need through the wildland urban
11 interface work.

12 Second, somewhat related to that is as it
13 points directly to our biomass operations. Section 210 of
14 the Energy Bill was passed authorizing a biomass subsidy
15 to biomass plants for the fuel that they acquire to
16 generate electricity. That program was passed by
17 Congress, as I said, as part of the Energy Bill. It has
18 yet to be funded by Congress. We encourage the
19 administration to do all that it can to include in its
20 budget a request for funding of Section 210 of the Energy
21 Bill.

22 Two other points that are somewhat
23 unrelated, but because of my past life and experience with
24 the home building operations in the Del Webb Corporation,
25 Mr. Peacock, I want to emphasize what they said about 404

1 permit issues and waters of U.S. treatments in the desert
2 southwest. We are not the same type of communities and
3 the same type of land that you will find in other parts of
4 the country, especially in California. However, quite
5 frequently the desert southwest is treated similarly in
6 ways that the waters of U.S. are counted for 404 permit
7 issues.

8 And, finally, while I got the ear, folks
9 from the Department of Interior, and with our good friends
10 from the Petrified Forest National Park sitting in the
11 audience who are anxious as we are, but can't say anything
12 by law, the Petrified Forest National Park Expansion Act
13 has passed increasing the size of that national park.
14 But, again, funding has not been made available for the
15 acquisition of the lands as part of that expansion.

16 I urge you to encourage your colleagues in
17 Washington to find ways to find the funds and resources to
18 fund the expansion of the Petrified Forest National Park
19 so those lands can be preserved and protected under the
20 National Park System. Thank you.

21 MS. LINNENBRINK: Thank you, sir. Card
22 number 74.

23 (No response)

24 MS. LINNENBRINK: 75.

25 (No response)

1 MS. LINNENBRINK: Card number 76.

2 SPEAKER NUMBER 76: My name is Jack Metzger
3 from Flagstaff, Arizona, M-e-t-z-g-e-r, and I represent
4 the Diablo Trust today, and I want to appreciate everybody
5 for the spelling lessons today. It's helped a lot, and I
6 look forward to doing better in the future.

7 A couple issues that are significant for
8 organizations like the Diablo Trust, which is a non-profit
9 collaborative that has been operating about 13 years.
10 There's about 600 people involved in it, the
11 participants. We have a pretty strong agency
12 representation which has been very helpful in planning
13 technical issues, and now we're to the point where we need
14 to do some land projects, land treatment projects, which
15 involved ultimately the production of wood products.

16 Most of them will wind up as probably
17 biomass, because it's mostly pinon juniper at this stage.
18 We would like to encourage the agencies to consider
19 stewardship agreements for watershed purposes, and also
20 for pinon juniper reduction. There are fire issues.
21 There are erosion issues, wildlife habitat issues,
22 diversity issues, et cetera, all associated with pinon
23 juniper which has kind of gone crazy in the western United
24 States, and has slipped several rungs below pine forest
25 restoration work, and yet it is critical when we look at

1 whole watershed solutions, there are numerous springs,
2 thousands in the State of Arizona that have gone dry,
3 probably because of pinon juniper and thick forests.
4 Springs that I used to drink out of as a kid are dry.

5 Part of what the Diablo Trust is looking
6 at doing is restoring several springs, and hopefully a
7 permanent stream, all which will require the reduction of
8 wood products as a result of man treatment work.

9 Hopefully we can get funding to get
10 started, but the goal is to have the product pay for the
11 land treatment work, and if we can get the right
12 stewardship approach in these other areas and for these
13 other purposes, similar to what has been done here, which
14 we commend you for, put in other eco types and for other
15 purposes, that would be extremely helpful to us. Thank
16 you.

17 MS. LINNENBRINK: Thank you, sir. Is there
18 anybody else in the audience that has a card that would
19 like to make public comment?

20 (No response)

21 MS. LINNENBRINK: Is there anybody in the
22 audience that has not had a chance to make comment that
23 did not receive a card?

24 (No response)

25 MS. LINNENBRINK: Okay. At this time I would

1 like to invite Deputy Administrator Peacock up to make his
2 closing remarks.

3 DEPUTY ADMINISTRATOR PEACOCK: Well, I just --
4 I want to thank everybody again for taking your valuable
5 time out to come here and let us listen to your thoughts.
6 I mentioned before sort of a home and away team. It's
7 not often you go and both the home and away team win, but
8 that happened today. I think all three of us heard a lot
9 of good things. I know I learned a lot today. Thank you
10 very much.

11 MS. LINNENBRINK: Under Secretary Rey, would
12 you like to make a closing remark.

13 UNDER SECRETARY REY: First and most
14 importantly, thank you for your time and your thoughts.
15 At the conference in St. Louis last year, it was
16 mentioned and I agree, that we are entering a fourth
17 chapter in the history of American conservation. If you
18 think about it, the first chapter was written by Theodore
19 Roosevelt a century ago and progressive movement that he
20 helped found.

21 A second chapter was added by Franklin
22 Roosevelt through the new deal, a third chapter during the
23 development of the environmental movement of the 1960s
24 and 70s and the development of a national environmental
25 framework that we operate under today.

1 The fourth chapter that we're beginning is
2 one where we will try to augment the environmental
3 framework that we have established with new, more
4 cooperative means to address the problems that still
5 stretch before us. It's a chapter that is just starting.
6 It is going to take time to write, but I am confident with
7 the goodwill and intelligence and the enthusiasm of people
8 like you, that we will complete that chapter over the next
9 several years and we will address problems that are
10 different than those that we tackled in the 1960s and the
11 1970s and the 1980s. We will be looking more at
12 environmental restoration challenges rather than
13 environmental protection challenges, and being able to
14 address those new challenges is why it's important to
15 receive your thoughts and insights in sessions like the
16 conference in St. Louis and the time we spent here today.
17 So thank you.

18 MS. LINNENBRINK: Thank you, Under Secretary
19 Rey. I'll let Director Hall close it up for us today with
20 his closing remarks.

21 DIRECTOR HALL: Well, thank you all very much.
22 You know, there is really not a lot I can add, except to
23 say how much I appreciate the openness and the warmth that
24 you've accepted us here, and to realize that, as Mark just
25 laid out very eloquently, we're embarking on the next

1 level, but this is the level that we're going to control
2 ourselves together. There won't be a winner and a loser.
3 There can't be. There's been too much of that in the
4 past.

5 So what we have to focus on and keep the
6 brass ring in mind, is that we get there together or we
7 won't get there, and I think it's really important to
8 understand that the landowners have to be left on the land
9 and have to be economically left standing, or the
10 alternatives are not very pretty.

11 You know, I was talking at one time when I
12 worked here, and someone was criticizing grazing out here
13 in the desert, and I said, "Do you -- why," and they said,
14 "Well, we just think it ought to be left there," and I
15 said, "But you don't own it, you don't pay the taxes."

16 Whoever is paying the taxes and owning it and the lands
17 that are there, we have to make sure that they're there in
18 the future, and if the rancher, as an example -- one
19 segment that was represented here today, if the rancher is
20 not left standing, then not only do we lose the water,
21 because the development will come in because the rancher
22 has to make money, and if he has to sell the land, he's
23 going to sell to the highest bidder, and the highest
24 bidder will be a developer. There's nothing wrong with
25 the developers here. I'm just saying that's what ranchers

1 are facing.

2 If that happens, then the land gets
3 covered over. The water is used for the houses that are
4 built, but more importantly than everything else, we just
5 lost a real land steward out on the land who helps take
6 care of resources for future generations, and I believe
7 that that's the kind of questions we ought to ask
8 ourselves each time we try to sit down and figure out what
9 a solution ought to be to a problem, and I think that's
10 the direction we're going, and you being here today shows
11 the commitment of the public to do that.

12 And under the ESA -- I'll finish with
13 this. The Endangered Species Act has been brought up a
14 lot today, and I had an opportunity to one time to sit on
15 witness stand for about three hours, and one of the
16 questions that I got was, "Mr. Hall, isn't it the Fish &
17 Wildlife Service's responsibility to recover species," and
18 I said, "No, sir, it is not," and the Judge looked at me
19 kind of funny, and I said, "The Fish & Wildlife Service
20 has a responsibility to gather as much information as we
21 can and to set the table, so to speak, so people can sit
22 down, but if a species is going to be recovered, it will
23 only be recovered by the people." The people have to want
24 it to be recovered and the people have to take an
25 ownership to that recovery, and I believe that you all

1 coming here today have sent a clear message you're willing
2 to do that, work with the Forest Service, and work with
3 the water issues, and everything else, and we sure do
4 appreciate that.

5 MS. LINNENBRINK: Thank you, Director Hall, and
6 thank you Under Secretary Rey and Deputy Administrator
7 Peacock for joining us today. I would also like to thank
8 the audience for taking the time out of your morning and
9 afternoon this Tuesday. We appreciate it. We appreciate
10 all your comments, as well. And at this time I would like
11 to go ahead and adjourn this session, and I hope you all
12 have a great afternoon.

13 (Whereupon, the Session was adjourned at 12:28
14 o'clock p.m.)

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C E R T I F I C A T I O N

I, LERRYN HORTON ROBERDS, RPR, Arizona Certified
Court Reporter, Certificate No. 50400, having been first
duly appointed as Official Court Reporter herein, do
hereby certify that the foregoing pages numbered 2 to 91,
inclusive, constitute a full, true, and accurate
transcript of the proceedings had in the above-entitled
matter, all done to the best of my skill and ability.

DATED this ____ day of _____, 2006.

Lerryn Horton Roberds, RPR
Arizona Certified Court Reporter
Certificate No. 50400

